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Federal Communications Commission
Washington, D.C. 20554

December 23, 1997

DOCKET FILE
WT 97-81

DOCKET FILE COPY 201041

In Reply Refer To:
2000F/TL

Ron Mozer
Crystalline Technology, Inc.
P.O. Box 418
Farmington, NM 87499

RECEIVED

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Dear Mr. Mozer:

Thank you for your letter concerning the Commission's Multiple Address System (MAS) proceeding. The Honorable Jeff Bingaman has asked that we respond directly to you concerning your inquiry. In your letter, you state that your MAS license applications (FCC File Nos. 733287, 733288, and 733289) were filed with the Commission on February 11, 1997, and that the Commission has not acted upon your applications. You also express opposition to the Commission's current trend of employing auctions to grant spectrum licenses.

In response to your first concern regarding the status of your MAS applications, on November 24, 1997, the Licensing and Technical Analysis Branch of the Public Safety and Private Wireless Division granted all three license applications. You should have already received notice of this in the mail. If you have not received such notice, please call the FCC's National Call Center at 1-888-225-5322 so that we can rectify the situation.

With respect to the use of auctions to grant spectrum licenses, the Commission has determined that the competitive bidding process offers an extremely efficient means of granting spectrum licenses and provides significant public interest benefits. Since winning bidders have tremendous incentive to recoup their initial investment and to quickly attract new customers, auctions lead to the development and rapid deployment of new technologies, products, and services for the benefit of the public, as well as the efficient and intensive use of the spectrum. In addition, through the implementation of auctions, the Commission is able to recover for the public a portion of the value of the public spectrum resource. Moreover, in the Balanced Budget Act of 1997, Congress endorsed the Commission's use of auctions to grant spectrum licenses by mandating that, if mutually exclusive applications are accepted for any initial license or construction permit (except applications to provide public safety radio services), the Commission must employ competitive bidding to grant any such license or permit. At the same time, Congress eliminated the Commission's authority to use lotteries (with one exception not relevant here), for issuing any license after July 1, 1997.

As you are aware, on February 19, 1997, the Commission released a *Notice of Proposed Rule Making (Notice)*, in WT Docket No. 97-81, seeking public comment on

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Mr. Ron Mozer

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proposals designed to facilitate the further development and implementation of MAS. Among these is a proposal to resolve mutually exclusive applications for 932/941 MHz and 928/959 MHz licenses through competitive bidding. The Commission will have an opportunity to resolve this issue, as well as others in the proceeding, in an upcoming Report and Order.

So that it receives full consideration, a copy of your correspondence (as well as this response) will be placed in the official record of this proceeding. Thank you again for your interest in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Horowitz', with a long, sweeping horizontal line extending to the right.

David E. Horowitz
Chief, Public Safety and Private Wireless Division
Wireless Telecommunications Bureau

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Bingaman, Jeff				SEN	NM
United States Senator					D
703 Hart Senate Office Building				SCup	
				STH/DMM	
Washington				Senator	
DC	20510				

Initials: Private Radio Bureau (PR)

MAS

ASSIGNED TO	SBURNHAM
REPLY IN FINAL	
	11-26-97

BUREAU CHIEF	SM
R Mozer	WTB
The Honorable	

* Reply Directly to Constituent!

JEFF BINGAMAN
NEW MEXICO

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United States Senate

November 20, 1997

WTP
PR
7455

Ms. Karen Kornbluh
Director, Office of Legislative and Intergovernmental Affairs
Federal Communications Commission
Room 808
1919 M Street, N.W.
Washington, D.C. 20554

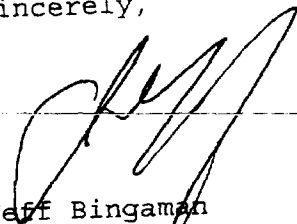
Dear Karen:

I have received the enclosed letter from Ronald Mozer regarding his FCC license applications.

I would appreciate your assistance in responding to my constituent's concerns. Please look into this matter and report back directly to my constituent with your findings. Please provide DeAnza Valencia in my office with a copy of your response.

Thank you for your attention to this matter.

Sincerely,



Jeff Bingaman
United States Senator

JB/dv
Enclosure



Crystalline⁹⁷ OCT 15 PM 3:01
Technology, Inc.

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Farmington, NM 87499
Phone: 505-325-8048
Email: info@neartime.com

October 9, 1997

Senator Jeff Bingaman
703 Hart Senate Office Bldg.
United States Senate
Washington, D.C. 20510

Dear Honorable Senator Bingaman,

I am the President of a small startup high technology based New Mexico corporation (Crystalline Technology, Inc.) formed in February of this year. Our vision is to conceive, design, build, sell and maintain integrated hardware and software systems that will remotely monitor and control facilities. The systems will have broad industrial, commercial, municipal and consumer applications. The first fruits of our development effort are some wireless remote I/O devices that eliminate the need for trenching, conduit, and cabling when automating natural gas wells or other similar systems. This promises to greatly reduce the cost of automation and to change the overall economics of gas production.

I have researched my target customer base and determined that there is a need for low cost communications that serves the oil and gas industry. The Federal Communications Commission (FCC) has set aside spectrum in the microwave band commonly referred to as the MAS (Multiple Access System) spectrum. Like much of the other frequency spectrum, the FCC is in the process of changing the rules and considering opening up these frequencies to an auction.

[My license applications to the FCC were made on February 11, 1997 - four days BEFORE they announced intent to change the rules and hence discontinued accepting applications from service providers.] My application has still not been acted upon even yet and indications are that it may never be acted upon. Their inaction has already resulted in the loss of much business and tied up many thousands of my very limited dollars. Inaction would mean the loss of all the money invested thus far (over \$20,000 directly attributable to the licenses in equipment and fees, excluding time). [Action required]

Any assistance that you can provide to have my FCC license applications favorably acted upon in a timely fashion would be greatly appreciated. [The FCC file numbers are 733287, 733288, and 733289.] The granting of these licenses would be to the best interest to your constituents because it allows for the production of natural gas:

- At a lower cost due to better manpower utilization.
- Reduced government paid for road maintenance due to less road travel in the field.
- More reliable gas production being able to identify failures quickly.
- Increased revenue to the government from the increased gas production.
- Provides the possibility for new employment to skilled New Mexico workers.
- Better use of the spectrum since many users would share the same frequencies.

I strongly disagree with the current trend of the frequency auctions. It greatly reduces the ability for the small business to compete and does nothing good for the public. Please consider the following:

- [The auctioning of frequency spectrum is only another form of taxation.] All corporations pass ^{auctions} their expenses to the customer in the form of increased prices. Why not be up front and create a communications tax that applies equally to all forms (telephone, cellular, mobile radio, data, etc.). I doubt if this would make anybody happy but it is at least honest about what the Federal Government is doing and would apply equally to the consumer.
- [The auctioning has not opened competition or provided new services to the consumer.] The cable companies are not providing telephone service and the telephone companies are not providing video services. Only innovation creates competition by providing better products and services at lower prices. History has shown that the small innovative entrepreneur provides the inventions and innovative processes that result in new competition. Unfortunately the small innovative entrepreneur cannot afford to bid the millions and/or billions of dollars required to compete in the auctions for frequency spectrum.
- "Scammers" with no intent of providing low cost competitive services to the public have bid outrageously high on spectrum in hopes of finding investors to pay the bill. Billion's of dollars have been booked in the federal coffers as a result. Problem is that now they are unable to find the investors to pay the bill while congress has already put the money in the budget. In hopes of delivering the funds, the FCC is now offering payment terms to keep these companies out of bankruptcy. (This is very unfair to those who could have provided competitive services to the public to generate the payments but were unable to present such a payment plan to the government in the first place.)
- [Moneys paid to the Federal Government for frequencies draws upon funds that could be used to develop new products and pay employee wages.] Why does the government think they should get the money before any revenue is generated? This is comparable to assessing the all the tax on a person and demanding payment before conception!

(I have great hopes that you will be of assistance in moving my license applications through the FCC. I cannot afford the lawyers that the big corporations use to accomplish such feats. I also hope that you will consider my arguments with the current trend of frequency auctions.)

Keep up the good work!

Thanks and Best Wishes,



Ron Mozer
President & CEO

PERSONAL INFORMATION SHEET

If you would like to receive an e-mail response to your e-mail to my office, please complete the following information, sign the form, and return it to my Washington office via postal mail. Please do not return the form via e-mail.

Name: Ronald Mozer

Internet E-mail address: ron@neartime.com

Postal mailing address:

P.O. Box 221

Aztec, NM 87410

(Optional) Business phone: 505-325-8048

(Optional) Home phone: _____

I have reviewed Senator Bingaman's document summarizing the practical limitations of electronic correspondence.

DATE: 10/09/97

SIGNATURE: 

PRINTED NAME: Ronald Mozer